Fixed Income Funds
June 30, 2019  Second Quarter 2019

Strategic Enhanced Yield Fund Commentary

Fixed Income Management Team
The Fixed Income Funds are managed by the Fixed Income Management Team of Cavanal Hill Investment Management, Inc. While all members of the Team actively contribute their experience, expertise and unique insights to the investment process, the managers primarily responsible for the day-to-day management of the Fixed Income Funds are:

Michael P. Maurer, CFA®
Senior Fixed Income Portfolio Manager

Michael Maurer is responsible for the management of the team that executes the taxable fixed income funds for Cavanal Hill Investment Management.

Russell Knox, CFA®
Fixed Income Portfolio Manager, Cavanal Hill Investment Management, Inc.

Russell Knox supports the execution of the taxable fixed income process which includes conducting research and analysis on the mortgage and asset-backed markets.

Cavanal Hill Funds (Investor Shares) vs. Benchmark Returns†

<table>
<thead>
<tr>
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<th>Quarter*</th>
<th>YTD*</th>
<th>1 Year</th>
<th>Since Inception</th>
<th>Expense Ratio (gross/net)</th>
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<tbody>
<tr>
<td>Strategic Enhanced Yield Fund (12/26/17)</td>
<td>2.79%</td>
<td>4.81%</td>
<td>6.17%</td>
<td>5.11%</td>
<td>13.65%/1.01%</td>
</tr>
<tr>
<td>Bloomberg Barclays U.S. Aggregate Bond Index</td>
<td>3.08%</td>
<td>6.11%</td>
<td>7.87%</td>
<td>4.27%</td>
<td></td>
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<tr>
<td>Lipper Multi-Sector Income†</td>
<td>2.63%</td>
<td>6.96%</td>
<td>6.28%</td>
<td>3.40%</td>
<td></td>
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</table>

*Aggregate returns
The Fund returns presented reflect fee waivers that have been in effect during the applicable periods. Without such waivers, the total returns would have been lower. Currently, contractual fee waivers are in effect from December 2018 through December 31, 2019.

How did the market’s fixed income sectors perform?
First-quarter gross domestic product1 growth came in at a surprisingly strong 3.1%, while forecasts for the second quarter point to a high 1%/low 2% range. As commodities cooled off in the second quarter, inflation expectations moved back down to the year’s lows. The decline in inflation expectations played a large part in forming the Federal Reserve Board’s (the Fed) new dovish bias, with a near-term interest rate cut now very likely. Rate markets are currently pricing in two or more rate cuts over the remainder of 2019. As the Fed furthered its dovish tilt and trade-war rhetoric died down, interest rates continued to decline and credit spreads contracted further in the second quarter. This perfect environment for fixed income allowed the Bloomberg Barclays U.S. Aggregate Bond Index1, which returned 3.08%.

The Fund’s Investor share class returned 2.79% during the second quarter, compared with the Bloomberg Barclays U.S. Aggregate Bond Index1, which returned 3.08%.

What were your primary investment strategies during the quarter?
The Fund’s duration was equal to its index. It continues to have a heavy weighting to non-agency mortgage-backed securities and asset-backed securities. Within the securitized sector, we continue to focus on very seasoned, pre-crisis securities, though we have added significant exposure to newer issues. This sector performed well during the quarter.**

We have few corporate names in the portfolio and corporates did remarkably well again in the second quarter, so that was a large headwind for the Fund. We also maintained a

(Continued on page 2)

† Each Lipper Mutual Fund average is an equally weighted average of the mutual funds within their respective investment objectives, adjusted for reinvestment of capital gains distributions and income dividends.

1 Definitions
Gross Domestic Product (GDP) measures the market value of the goods and services produced by labor and property within the respective country/economic region. Bloomberg Barclays U.S. Aggregate Bond Index covers the USD-denominated, investment-grade, fixed rate, taxable bond market of SEC-registered securities. Bloomberg Barclays U.S. Mortgage-Backed Securities Index tracks agency mortgage backed pass-through securities, both fixed-rate and hybrid ARM, guaranteed by Ginnie Mae (GNMA), Fannie Mae (FNMA), and Freddie Mac (FHLMC). Bloomberg Barclays U.S. Corporate Investment-Grade Index covers all publicly issued U.S. corporate, non-corporate and specified foreign debt instruments and secured notes that meet the specified maturity, liquidity, and quality requirements, to quality, bonds must be SEC-registered. Bloomberg Barclays U.S. Treasury Index measures the performance of the public obligations of the U.S. Treasury with a remaining maturity of one year or more that are non-convertible and are denominated in U.S. dollars. Securities must be rated investment-grade (Baa3/BBB- or higher) by at least two of the following ratings agencies: Moody’s, S&P, and Fitch. If only two of the three agencies rate the security, the lower rating is used to determine index eligibility. If only one of the three agencies rates a security, the rating must be investment-grade. These indexes are unmanaged and does not reflect the fees and expenses associated with a mutual fund. An investor cannot invest directly in an index.

2 Lipper performance calculation as of December 31, 2017.

Past performance does not guarantee future results. The performance data quoted represents past performance and current returns may be lower or higher. The investment return and principal value will fluctuate so that an investor’s shares, when redeemed, may be worth more or less than the original cost. To obtain performance information current to the most recent month end, call 800-762-7085 or visit us at www.cavanalhillfunds.com.
Investment Risks
Short-term investment-grade bonds offer less risk and generally a lower rate of return than longer-term higher yielding bonds. Bond funds will tend to experience smaller fluctuations in value than stock funds. However, investors in any bond fund should anticipate fluctuations in price, especially for longer-term issues and in environments of changing interest rates. High-yield bonds, commonly referred to as junk bonds, have a higher risk of default or other adverse credit events, but have the potential to pay higher earnings over investment-grade bonds. The higher risk of default, or the inability of the creditor to repay its debt, is the primary reason for the higher interest rates on high-yield bonds. International investing involves increased risk and volatility.

Strategic Enhanced Yield Fund Commentary

An investor should consider a fund’s investment objectives, risk and charges and expenses carefully before investing or sending money. This and other important information about an investment company can be found in the fund’s prospectus. To obtain a Cavanal Hill Funds prospectus or summary prospectus, please call 800-762-7085 or visit us at www.cavanalhillfunds.com. Please read it carefully before investing.

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How did your strategies influence performance?
The Fund underperformed its index by 29 basis points (0.29%) in the first quarter. The underperformance was driven entirely by the underweight to corporates.**

How do you expect to position the Fund in the coming months?
Our expectation is that we are late in this economic cycle, so we are going to maintain a higher-quality bias while seeking to maintain significant liquidity. We will continue to focus on the non-agency securitized sector; we believe that higher-quality securities in this sector offer some of the best risk/return potential in fixed income. We would view any widening in securities at the top of the credit structure as a potential opportunity.**

** Portfolio composition is subject to change.
Past performance is no guarantee of future results.